

# **SYSTEM AND METHOD FOR PRICING AND ALLOCATION OF COMMODITIES OR SECURITIES**

## ABSTRACT OF THE INVENTION

The present invention provides an economical, high performance, adaptable system and method (designated "the OpenBook system") for conducting an auction of debt securities to institutional and individual investors on the Web. In the OpenBook system auction: (1) Bidders are rewarded for anonymously revealing their bids early; (2) All winners pay a single market-clearing price that sells out the securities; and (3) All participants can monitor the auction in real time. The OpenBook system thus creates a transparent and low-cost new issue market; offers all bidders equal access to securities; and gives both investors and issuers a "seat on the syndicate desk."

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